

**BLUERIDGECROSSROADS**  
economic development authority

Carroll – Galax – Grayson VIRGINIA

**Carroll-Grayson-Galax Regional Industrial Facilities Authority**  
**Regular Meeting Agenda**  
**Monday, January 28, 2019**  
**Time: 3:30 PM**  
**Location: Crossroads Institute**

1. Call to Order
2. Consent Agenda:
  - a. Minutes from the November 26, 2018 Meeting
  - b. Treasurer's Report
3. Wildwood Commerce Park
  - a. Stormwater Management – Response to DEQ
  - b. Wildwood Stormwater Maintenance
  - c. Meeting with Appalachian Power – Transmission Line
  - d. Natural Gas Project – Grant Application
  - e. Other
4. SBDC Report
  - a. Federal Funding Update
5. Director's Report
  - a. General Assembly Legislation
  - b. Hampton Property – Blue Ridge Crossroads Commerce Park
  - c. VEDA Membership
  - d. CCPSA Sewer Project
  - e. Year-to-Date BRCEDA Expenditures
  - f. FY-2020 BRCEDA Budget
  - g. Other
6. Announcements
7. Closed Session – if necessary
8. Adjourn

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Carroll-Grayson-Galax Regional Industrial Facilities Authority  
November 26, 2018 Minutes

### Roll Call

- |                   |                          |         |
|-------------------|--------------------------|---------|
| • Steve Truitt-   | Carroll County           | present |
| • Rex Hill-       | Carroll County           | present |
| • Keith Barker-   | City of Galax            | present |
| • C.M. Mitchell-  | City of Galax            | present |
| • Bill Shepley -  | Grayson County           | absent  |
| • Kenneth Belton- | Grayson County           | absent  |
| • Robbie McCraw-  | Carroll alternate        | absent  |
| • Bill Davis-     | Galax alternate          | absent  |
| • Mike Hash-      | Grayson alternate        | present |
| • Others present- |                          |         |
| ○ Dan Campbell-   | BRCEDA Interim Director  |         |
| ○ Mandy Archer-   | SBDC Director            |         |
| ○ Ginny Plant-    | Administrative Assistant |         |

### Call to Order

Mr. Mitchell called the meeting to order at 3:34 PM.

### Consent Agenda

Mr. Barker made the motion to approve the consent agenda, including the Minutes and Treasurer's Report, as presented. Mr. Hash seconded the motion, which carried unanimously.

### Wildwood Commerce Park

Mr. Campbell stated that he and Mr. Hill met with Scott Frye, S & S Transporters, and Jonathan Chapman, DEQ, at Wildwood to go over DEQ's transmittal regarding the S & S Stormwater Management Plan application. DEQ had 14 comments on the application, with Items 12 – 14 being the responsibility of BRCEDA.

Items needing to be addressed by us at Wildwood for the S & S Stormwater application to move forward include removal of temporary construction HDPE slope drains, as well as maintenance and repair work on the Park's stormwater infrastructure. DEQ is requiring the vegetation that has established itself on the earthen embankment for the North Basin be removed. This work will involve significant weed-eating and removal of established woody growth. Also, a stormwater outfall between the S & S site and the basin will require significant repair when weather permits. Bank and stormwater basin erosion has become a big problem at this outfall

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and a contractor with an extended reach trac-hoe or similar heavy equipment will be required. A section of pipe will need to be re-installed, large rip-rap will have to be pulled back to the slope, damaged area of basin repaired, etc.; and, access for equipment to reach the work area will be difficult and may require installation of a road down the adjoining slope.

Additionally, one or more stormwater drainage pipes behind the S & S site need to be further assessed and potentially repaired.

Mr. Campbell also covered the “Inspection and Maintenance of Stormwater Facilities” developed for Wildwood, noting that this information will have to be submitted to DEQ and will have to be followed going forward. There will be cost associated with the ongoing maintenance. It was suggested by Board members that inmate, trustee labor assigned to the counties/city could help once the major repairs are completed.

DEQ’s required “Stormwater Management Facility Maintenance Agreement” was discussed. This Agreement will have to be entered into with DEQ and the required steps will need to be taken at Wildwood going forward in order for locating industries to be able to obtain their stormwater permits.

Mr. Campbell indicated that BRCEDA will have to submit a letter to DEQ at this time indicating that we are fully prepared to make the repairs and move forward with the maintenance program, and that the DEQ stormwater maintenance agreement will be executed. According to Mr. Chapman at DEQ they will continue to process the S & S stormwater permit application if BRCEDA commits to these items.

Following this discussion, Mr. Hash made a motion to hire the contractor submitting the bid for clearing, weed-eating and removal of woody growth in the amount of \$4,100. Mr. Hill seconded the motion, which carried unanimously.

Mr. Barker made the motion to allow Mr. Campbell to work with DEQ to submit proper letters and let Jonathan Chapman know what’s up and that we plan to do more work in the Spring as well in order to move forward with the S & S application. Mr. Truitt seconded the motion, which carried unanimously.

Mr. Campbell noted that he has spoken to Scott Frye and S & S remains committed to the project but doesn’t feel like he can start construction until Spring. S & S is working on the project site plan. Mr. Frye is requesting a time extension for the site plan due to the stormwater permit and other delays. The Board understood and noted that the site plan could be submitted by early spring, 2019.

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### SBDC Report

Ms. Archer informed the board that we have been instructed by SBA to increase our budget from \$60K to \$70K. We plan to prepay some of our expenses like we did last year. Impact surveys have been sent out by the state office. So far, we have almost \$1.2 million in capital formation, \$2 million invested, and 19 jobs created. You will find a flyer for the Business Service Leadership Workshop coming up December 11<sup>th</sup> in your packet. We are targeting supervisors on going into a support role. If you can think of anyone to invite, please let us know. Crossroads Higher Ed Center received the grant for the laptop project. We have committed \$5K to the project and will have access to the lab for training purposes.

### Directors Report

Mr. Campbell mentioned the VA Econ. Dev. Partnership visit scheduled for Nov. 27<sup>th</sup> and asked that Mr. Mitchell, Mr. Truitt and Mr. Barker plan on attending the breakfast and discussion. A tour of Crossroads and WCC's training programs will take place and three local industry representatives will talk about doing business in the region.

The Carroll County sewer project, funded by the Tobacco Commission, still has some outstanding issues; therefore, project closeout is further delayed, and retainage is being held until all work and submittals are accepted by the CCPSA.

Mr. Campbell confirmed that the McCullun Sweeney site certificate for AEP's certification designation has been updated. According to the letter received the new certification expiration date is now February 3, 2021. As you may recall, a new wetlands study had to be completed by our engineer and submitted to the Army Corp of Engineers in order for us to obtain the new quality site certification.

### Announcements

A tentative meeting date of December 17<sup>th</sup> at 4 pm will be set in lieu of the December 24<sup>th</sup> meeting. If there is no need for a December meeting, the board will reconvene at its regularly scheduled January meeting date.

With no further business, the meeting adjourned.

Respectfully Submitted- Keith E. Barker, Secretary

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C. M. Mitchell - Chairman

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**SBDC Director Report: 1/24/19**

**VA State Office SBDC Updates (Funding)**

Due to the government shutdown the Virginia SBDC and all 27 offices are continuing to provide services without a contract or continuing resolution with SBA. Below is an email that Jody Keenan, VA SBDC Director, emailed to all hosts on 1/22/19. To summarize the email and how it affects our operations.

- a) We can continue to invoice GMU for any remaining funds from the 2018 budget. Based on current payables we have approximately \$200 remaining from our 2018 funds. We will spend this down on essential functions.
- b) We cannot invoice GMU for any SBA/federal expenses from a 2019 budget. This means after expending the remaining 2018 funds we will be using local funds **ONLY** for all expenses.
- c) SBA anticipates we will be able to use the local funds as cash match when the contracts are issued for 2019.
- d) We can use other accounts, such as our program income account, for expenses.
- e) Based on a cash flow analysis of current cash, receivables, anticipated receivables, and expenses **I estimate that this office can operate until March 30<sup>th</sup>, 2019**. We will be unable to meet expenses incurred in April if we continue to operate without a contract.
- f) We are monitoring travel and other expenses to save funds.
- g) We pre-paid rent and some accounting in 2018 so that will help with our 2019 expenditures.

<b>1/24/2019</b>	
Operating Balance	\$ 32,999.48
Program Income Balance	\$ 10,214.78
<b>Total</b>	<b>\$ 43,214.26</b>

	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>
Beginning Balance	\$ 43,214.26	\$ 30,203.26	\$ 25,168.26	\$ 21,378.26	\$ 8,099.26
SBA Reimbursements	\$ -	\$ 4,182.00	\$ 6,825.00	\$ 205.00	
Other Reimbursements		\$ 248.00			
<b>Total Cash Available</b>	<b>\$ 43,214.26</b>	<b>\$ 34,633.26</b>	<b>\$ 31,993.26</b>	<b>\$ 21,583.26</b>	<b>\$ 8,099.26</b>
	<i>Dec Payroll</i>	<i>Jan Payroll</i>	<i>Feb Payroll</i>	<i>Mar Payroll</i>	<i>April Payroll</i>
Payroll (Prev. Month Work)	\$ 9,014.00	\$ 9,000.00	\$ 9,000.00	\$ 12,500.00	\$ 9,000.00
Other Expenses	\$ 3,997.00	\$ 465.00	\$ 1,615.00	\$ 984.00	\$ 984.00
<b>Total Expenses</b>	<b>\$ 13,011.00</b>	<b>\$ 9,465.00</b>	<b>\$ 10,615.00</b>	<b>\$ 13,484.00</b>	<b>\$ 9,984.00</b>
<b>Remaining Balance</b>	<b>\$ 30,203.26</b>	<b>\$ 25,168.26</b>	<b>\$ 21,378.26</b>	<b>\$ 8,099.26</b>	<b>\$ (1,884.74)</b>

Dear Virginia SBDC Network Hosts:

Happy New Year! The Virginia SBDC Network had a successful 2018---the network of 27 SBDCs advised nearly 4000 businesses and delivered training to more than 4800 individuals. We are gathering the final economic impact data now, and we are encouraged by the early client reports describing how important SBDC services have been to their businesses. Your SBDC team is dedicated to small business success, and I'm so proud of the work they do to represent your organization and the Virginia SBDC Network!

In light of the federal government shutdown, I wanted to share an update on SBDC funding. SBA did not issue a 2019 funding agreement to George Mason before the government shutdown started on December 22. We are not alone in this unprecedented situation---40 of 62 SBDC networks across the country do not have a 2019 funding agreement. Without an agreement in place, we are not authorized to spend federal dollars; however, SBA has provided guidance that we can spend 2019 cash match, and those matching dollars will be eligible to match federal funds once the government opens and a 2019 agreement is executed.

In addition to 2019 cash match, your SBDC can also use any remaining 2018 SBA funds (with prior authorization from GMU), cash reserves, and program income to pay expenses that would typically be covered by SBA funds. SBDCs have been advised to reduce expenses and delay new expenditures, if possible, and seek sponsorships or attendance fees to offset costs for training events or programs. (Counseling services must still be provided at no charge.)

As an active member of the Association of SBDCs, I receive regular updates from ASBDC leadership on this situation. I've also provided input about the impact of the shutdown on our SBDC network and Virginia small businesses which has been shared with members of Congress. Based on the funding sources described above, I conservatively estimated that SBDC offices can operate through March 30. We will be monitoring this closely and expect that many centers could carry on beyond March 30. During the week of February 11, I will be meeting with staff of the Virginia congressional delegation to brief them on the Virginia SBDC and update them on the impact of the shutdown.

I greatly appreciate your continued support of the Virginia SBDC Network and I understand the challenges you may have in maintaining operations during this period of uncertainty. Please do not hesitate to contact me directly with any questions or concerns. I will keep you apprised of what is happening on my end.

Sincerely,

Jody Keenan



## Blue Ridge Crossroads SBDC Updates

### SBDC Projects

**Website:** Website design needs outline pushed to 2019. Carroll County procurement guidelines will be followed. The project has been delayed due to lack of time for the redesign. *This is an expense we are postponing until a contract is issued.*

### Client Update & Economic Impact: Information still being entered

Economic Impact: Estimates for January 1, 2018 – November 21, 2018

Business Plans Completed: 19  
Businesses Funded: 6  
Business Starts: 12  
Capital Formation: \$1,207,950  
Jobs Created: 20  
Jobs Retained: 3  
Ribbon Cutting Events: 3

Client Interaction: January 1, 2018 – December 31, 2018

Total Clients: 128  
Long Term Clients: 34  
Total Counseling Hours: 691.82  
Average Hours per Client: 5.4

### Professional Development, Trainings, and Meetings

- Director Meeting: Richmond February 7-8, 2019
  - Full Day Meeting on February 7<sup>th</sup>
  - General Assembly meetings on February 8<sup>th</sup>
  - This meeting may be postponed if the government does not reopen by 1/25/19

### **Client Training / Events / Seminars**

- Concluded the Community Business Launch training with Galax. Thirty-five entrepreneurs representing 21 businesses attended the classes. 15 businesses completed the course. The entrepreneurs learned about market analysis, operations plan, financials and cash flow and future plans for growth. To be a part of the competition for cash prizes, the businesses have to locate in Downtown Galax. The entrepreneurs had to prepare business plans, answer questionnaires, and pitch their ideas. Twelve judges separately rated and scored the businesses from either their business plans, pitches or questionnaires.

### **Community Involvement**

Presentations given since January 1, 2018 to 158 people

- Twin County Chamber of Commerce
- River North/Bland Correctional Continuing Education Teachers
- Carroll County High School Students (two days)
- Galax Middle School – 7<sup>th</sup> graders

### **Partner Updates**

- None

### **BRCEDA**

- Virginia Enterprise Zone Update
  - Grant applications are due April 1<sup>st</sup>, 2019
  - Reports are due July 15<sup>th</sup>, 2019
  - I will send an email for Bill, Keith and Steve to disseminate to their staff in order to collect reporting information. This will also help us determine if anyone needs to be contacted about a grant application.

### **Boards & Committees**

Galax City Career and Technical Education Advisory Board – No update

New River/Mount Rogers Workforce Investment Board / Business Solutions Unit – No update

Financial Stability Coalition – No update

MySWVA Opportunity – No update